FBIS DAILY REPORT CONTENTS

Latin America

Vol VI No 4 *5 January 1979*

ARGENTINA

Samore Arrives From Santiago, Meets With Foreign Minister B 1
Papal Envoy's Arrival B 1
Samore Feels Negotiations Progressing B 1
Foreign Minister, Samore Meet B 1
Pastor Reports to Videla B 1
Chilean Delegation Arrives To Negotiate Prisoners' Release B 2
Former Senator's Release Ordered B 2
Interior Ministry Rebuts 'Insidious' Chilean Accusation B 3
HERALD Views Repercussions of Oil Price Increase [4 Jan]

BOLIVIA

Chile Not To Attend Meeting on Border Violations C 1
Industry Official Accuses Venezuela of Violating Andean Pact C 1
Interior Minister Comments on Support for Padilla C 2
Political Parties Disagree With Padilla Statements C 2
Radio Panamericana Reports on Infighting Within FUDP C 2
Peasants Detained in Army Commando Action C 3
Briefs: Japanese Donation C 3

Samore, Cubillos Comment on Talks; Samore Departs E 1
Samore, Cubillos Make Statements E 1
Papal Envoy's Departure E 2
EL MERCURIO Comments on Latest Stage in Beagle Issue E 3
Naval Fleet Returns to Valparaiso From Southern Waters E 3
Government Agrees to AFL-CIO Conditions on Labor Laws E 3
Pinera Describes Normalization Plan E 4
Businessmen Support Labor Plan E 4

COLOMBIA

Report on Guerrilla Weapons Theft, People's Jail F 1
Foreign Minister To Travel to Peru 19 January F 2

ECUADOR

Poveda Burbano's Greetings To Armed Forces, Diplomats G 1
Parties To Receive 25.9 Million Sucres in State Financing G 1
Briefs: Oil Reserves G 1

PERU

Constituent Assembly Calls for Rejection of Price Increases J 1
Workers Confederation Told To Call Off Strike J 1
Electricity Workers Strike Declared Illegal J 1

MEXICO

President Expresses Wish To Sell Oil to United States M 1
Havana Radio Quotes Paper's Praise of Cuban Revolution M 1

PANAMA

Torrijos Visits Puerto Obaldia in First Public Appearance N 1
U.S. Criticized for Support of Dictatorships N 1
Permits of Vietnamese Refugee Ships Suspended N 2
Government Assumes Control of Air Panama N 2
[STAR AND HERALD 4 Jan]
'God and Panama' Group To Stage Anticommunist Demonstration N 3
[CRITICA 4 Jan]

CENTRAL AMERICA

COSTA RICA

Official Denies Common Market Withdrawal P 1
President Announces Diesel Fuel Price Increase P 2

GUATEMALA

Lucas Garcia Opposed to Presidential Meetings P 2
Secret Anticommunist Army Threatens To Kill 24 Leftists P 3

HONDURAS

New Cabinet Ministers Explain Economic Plans P 4

NICARAGUA

Studios of Somoza-Owned Radio Station Destroyed P 4
More on Bombing P 5
Violence Erupts Again in Managua, Esteli P 6
FSLN Member Killed in Clash With National Guardsmen P 5

CUBA

Fidel Castro Sends Message on Death of Boumediene Q 1
Signs Condolence Book Q 1
FMC Provincial Plenary Session Concludes Q 1
15-Percent Trade Increase With Socialist Camp Q 2
Sancti Spiritus Newspaper Begins Circulating Q 2
Uruguayan Communist Official Opens Roundtable on Fascism Q 3
Fidel Castro Receives SRV Delegation [VNA] Q 3
CSSR, Soviet Officials Seen Off by Raul Castro Q 4
Soviet Military Delegation Visits Farm Q 4
DPRK Vice Premier Visits Cienfuegos Q 4
Foreign Delegations Tour Isle of Youth Q 5
Visiting Delegations Arrive in Santiago de Cuba Q 5
Ethiopian Delegation Arrives in Santiago Q 5
Briefs: Cuba-Ireland Association Q 5

DOMINICAN REPUBLIC

Foreign Minister Comments on Nicaraguan Mediation R 1
Press, Opposition Criticize Venezuela Over Loan Dispute R 1
Opposition Senator Gomez Berges Criticizes Perez Visit R 2

CARIBBEAN

GUADELOUPE

Report on Western Summit Conference S 1

JAMAICA

World Council of Churches Leader Sees Exploitation [DAILY GLEANER 2 Jan] S 2

PUERTO RICO

Puerto Rico Might Not Host Pan-American Games [Havana] S 2

SAMORE ARRIVES FROM SANTIAGO, MEETS WITH FOREIGN MINISTER

Papal Envoy's Arrival

PY042227Y Buenos Aires TELAM in Spanish 2220 GMT 4 Jan 79 PY

[Text] Buenos Aires, 4 Jan (TELAM)--Cardinal Antonio Samore, Pope John Paul II's envoy in a mission of information and rapprochement between Argentina and Chile in the border conflict, returned to this capital from Santiago today at 1915. Cardinal Samore arrived at the metropolitan Jorge Newbery Airport in a Chilean Air Force plane and was met by Ambassador Carlos Katseinsztein, protocol director of the Foreign Ministry; the apostolic nuncio, Msgr Pio Laghi; and the chief of the Aeroparque military airbase, Col Julio Cesar Poccioni.

Samore Feels Negotiations Progressing

PY042302Y Buenos Aires NOTICIAS ARGENTINAS in Spanish 2245 GMT 4 Jan 79 PY

[Text] Buenos Aires, 4 Jan (NA)--Cardinal Antonio Samore, Pope John Paul II's special envoy, said this afternoon after arriving in this capital from Santiago, Chile, that the four meetings held in the Chilean capital over 2 days were "useful." He also said he hopes to meet with the Argentine foreign minister this evening to fix his work schedule in this capital.

"I am under the impression that the negotiations have made progress," the cardinal said. Asked about a report published in a local newspaper that the light of hope which the cardinal had mentioned previously was going out, he categorically said: "No, frankly no."

Foreign Minister, Samore Meet

PY050020Y Buenos Aires LATIN in Spanish 2350 GMT 4 Jan 79 PY

[Excerpt] Buenos Aires, 4 Jan (LATIN)--Cardinal Samore, papal peace envoy in the Argentine-Chilean dispute, returned here tonight from Santiago, Chile, to begin a third stage of his informational and conciliatory mission in the border dispute between the two countries. Just after his arrival he met with Foreign Minister Carlos Pastor in the nunciature.

Pastor Reports to Videla

PY050119Y Buenos Aires TELAM in Spanish 0100 GMT 5 Jan 79 PY

[Text] Buenos Aires, 4 Jan (TELAM)--Foreign Minister Carlos W. Pastor has been reporting to President Jorge Rafael Videla since 2200 the result of the meeting he held with Cardinal Antonio Samore tonight. Minister Pastor met with Cardinal Samore in the Argentine nunciature headquarters from 1945 to 2145.

CHILEAN DELEGATION ARRIVES TO NEGOTIATE PRISONERS' RELEASE

PY041540Y Buenos Aires NOTICIAS ARGENTINAS in Spanish 1158 GMT 4 Jan 79 PY

[Text] Buenos Aires, 4 Jan (NA)--A group of Chileans is in Argentina to negotiate the release of several detained Chileans, members of a delegation stated upon arrival at Ezeiza International Airport.

The delegation, which arrived yesterday, will stay in the country for 1 week. It is made up of Francisco Javier Diaz Salazar, a lawyer and university teacher; Armando Jaramillo, former National Party senator; Fernando Manizaga, a retired colonel; Oscar Boytis Barrios, industrial leader; and Domingo Vidal, agriculture leader.

The purpose of their visit is to meet with Argentine Interior Minister Albano Harguindeguy, with whom they wish to discuss this situation.

Asked about the identity of the detainees for whom they will appeal, Diaz Salazar said the group obtained the names "through information which arrived in Chile," but he explained that in particular they will request the freedom of former Senator Raul Morales Adriazola, who "endured criminal persecution during the Marxist regime of President Allende."

Furthermore, Senator Jaramillo noted that the members of the delegation will contact "Argentine lawyers to study the charges" against the detained Chileans "to be able to carry out their defense in accordance with Argentine law."

Asked about Cardinal Antonio Samore's mission to solve the Beagle dispute, Diaz Salazar said that "all Chile is closely following his mission." He added: "We know that both the Argentine and Chilean people are eminently Catholic and that we cannot betray the pope's appeal. Therefore, since we are all conscious of the strong meaning which this appeal has for all Chileans and Argentines, we believe Cardinal Samore's mission will be successful."

Former Senator's Release Ordered

PY041652Y Paris AFP in Spanish 1618 GMT 4 Jan 79 PY

[Text] Santiago, 4 Jan (AFP)--It was reported here today that the Argentine Government has ordered the release of former Chilean Senator Raul Morales Adriazola, who was detained in the southern Province of Neuquen. This announcement was made by telephone from Buenos Aires by Chilean lawyer Domingo Duran, who went to Buenos Aires last Wednesday to obtain the release of the former congressman. Duran reported that he had been notified of Morales' release by Interior Ministry officials with whom he met.

On Tuesday of last week the Chilean Foreign Ministry protested to the Argentine Government over the detention of the former politician and other Chileans in Neuquen.

INTERIOR MINISTRY REBUTS 'INSIDIOUS' CHILEAN ACCUSATION

PY050137Y Buenos Aires TELAM in Spanish 0045 GMT 5 Jan 79 PY

[Excerpts] Buenos Aires, 4 Jan (TELAM)--The Interior Ministry has denounced Chile for launching an insidious campaign against Argentina charging it with aggressive attitudes for having expelled Chilean citizens. In that regard, the ministry clarified that the function of the National Immigration Directorate is to strictly enforce existing laws and regulations which require foreign residents of any nationality to be legally registered.

It should be pointed out, in this regard, that the general amnesty granted by Decree No 87 of 1974 allows foreign residents to acquire legal status through the simple procedure of presenting an affidavit to immigration authorities.

The official note released by the Interior Ministry tonight added: "Therefore, there is no reason for the existence of foreign residents in illegal status."

Finally, the note said: "Argentina has laws and welcomes with open arms foreigners who want to live in its territory with the only obligation that they respect those laws."

HERALD VIEWS REPERCUSSIONS OF OIL PRICE INCREASE

PY042046Y Buenos Aires HERALD in English 4 Jan 79 p 8 PY

[Editorial: "The Oil Squeeze"]

[Text] The decision by the members of the Organization of Petroleum Exporting Countries (OPEC) to raise the posted price of oil by 14.5 percent during 1979 was not entirely unexpected. The long freeze in prices had seen the real earnings of the OPEC bloc decrease considerably, while the grandoise spending plans cooked up in the euphoric days of 1974 are costing more than expected. Countries like Iran and Venezuela, that not too long ago seemed to be drowning in petrodollars, are now big borrowers on the international market. The obligations incurred by the governments of the OPEC group have grown enormously since 1973, and they are bound to insist on the oil-consuming countries--the vast majority of the countries in the world--paying part of their bills.

The damage done to the industrial world's chances of recovery may be considerable. It is not necessary to feel any sympathy for the plight of the rich countries to appreciate that prolonged sluggishness there means fewer trade opportunities for the poorer countries, whose best chance of escaping from poverty is by exporting fairly simple manufactured products or making the most of their raw material resources. Until demand picks up in the developed world for such things as wheat, beef, copper and basic manufactured products like shoes, the growth prospects of the countries of the Third World will be limited. This is something the leaders of OPEC prefer to close their eyes to, but it is manifestly a fact.

The impact of the oil price increase on Latin America is certain to be negative. The biggest economy in the region, Brazil's, relies on imports for 80 percent of its oil supplies, and it is thanks to this that it is unable to keep its trade in surplus or maintain the dynamic momentum of growth attained in the late 1960's. This, in turn, reduced the opportunities open to the countries, Argentina included, that should be able to benefit from Brazil's great surge by selling far more goods to a rapidly expanding market. Other countries to be hard hit in Latin America include Chile, Uruguay and Colombia. Peru and Argentina can provide most of the oil they need from their own resources, but high oil prices have obliged both to divert scarce resources to the oil industry at the expense of other parts of the economy. Both countries, moreover, suffer from the reduced purchasing power of the developed world, as both can only prosper if they vastly increase their trade.

The beneficiaries of the oil price increase will be Venezuela, which virtually founded OPEC and therefore has a lot to answer for, and Mexico, whose "possible" oil reserves are very high indeed. But the benefits may prove more transient than is immediately apparent. The Venezuelan Government of President Carlos Andres Perez has done little to invest its oil income in building a diverse and sturdy economy, and his successor, President-elect Luis Herrera, will have his work cut out to avoid merely repeating Perez's many mistakes.

CHILE NOT TO ATTEND MEETING ON BORDER VIOLATIONS

PY040146Y Buenos Aires TELAM in Spanish 2325 GMT 3 Jan 79 PY

[Text] La Paz, 3 Jan (TELAM)--The Chilean Government has unexpectedly decided not to attend a meeting with Bolivia to discuss charges of repeated Chilean violations of and sorties into Bolivian territory made by La Paz.

This was revealed today by the Bolivian Foreign Ministry, which noted that a bilateral commission was supposed to meet in Arica, Chile, tomorrow, 4 January, to look into the question of border markers between the two countries.

The Bolivian Foreign Ministry added that the meeting has been postponed indefinitely, despite the formal note of protest presented by the Quemado Palace against repeated violations of Bolivia's sovereign territory.

The Santiago authorities had agreed to hold a meeting in Arica to study the Bolivian protest and to provide satisfactory explanations.

INDUSTRY OFFICIAL ACCUSES VENEZUELA OF VIOLATING ANDEAN PACT

PY041500Y La Paz Diplomatic Information Service in Spanish 0050 GMT 4 Jan 79 PY

[Excerpt] Industry Under Secretary Alfredo Mercado Allende has charged that Venezuela has violated Andean Pact international agreements regarding allotments in the metal industry granted to Bolivia by that organization.

Mercado said that a commission following up the Andean Pact projects has found, after an evaluation study, that a factory for producing pneumatic tools for industrial use is reportedly being installed in Venezuela in open violation of agreements in force within the Andean group. Such an industry has been operating in Bolivia for over 4 years after the Swedish enterprise Atlas Copco was selected to implement decision No 57 of the Cartagena agreement on the metal industry program and the production of pneumatic machines and tools for industrial use. He stated that Atlas Copco has invested about $8 million initiating its operations in that industry.

Making this charge, the industry under secretary stated that Bolivia has had bitter experiences with this type of violation because some time ago the tricone factory had to be dismantled, also because of the installation of a similar factory in Venezuela. He said: On that occasion the tricone factory had to close down and dismiss over 100 highly qualified employees after little more than 1 year of operation.

He added that the Andean group member countries refused to buy tricones manufactured in Bolivia, thus ignoring the rights which had been granted Bolivia within the framework of the Cartagena agreement. The tricone factory, established in Santa Cruz, had to be dismantled, causing serious harm to the Bolivian economy and leading to a justified Bolivian Government protest, which, however, did not elicit any reaction from the Andean group.

The industry under secretary said angrily: We are suspicious and should take strong action to see that the allotments granted to Bolivia are respected. He also said that the integration process within the Andean group will be seriously affected if the Bolivian allotment is further ignored. He asserted that this will set an unfortunate precedent because any other country will follow the bad example of harming the others and those actions will certainly not contribute toward strengthening the Andean group.

INTERIOR MINISTER COMMENTS ON SUPPORT FOR PADILLA

PY041343Y La Paz Radio Panamericana Network in Spanish 1130 GMT 4 Jan 79 PY

[Text] The president of the military government junta enjoys the real and total backing of the armed forces, Interior Minister Raul Lopez Leyton has asserted, while calling some press reports tendentious [words indistinct].

The minister stressed that reports on diseases suffered by the president have been made because some people are interested in creating confusion. Answering a question, Colonel Lopez Leyton said that General Padilla is in good health and asserted that reports to the contrary are merely tendentious.

Undoubtedly, General Padilla's patriotism and his firm decision to carry forward the constitutionalization process of the country do not please many sectors which are interested in hindering that goal from being reached, the interior minister added.

He then called the president the most patriotic and nationalistic among the militarymen and said that the sectors which have held power in the last few years are perhaps afraid that a constitutional government will (?emerge) with a congress and other organizations which will realize [words indistinct]. He clearly stated that he was referring to persons, not to governments. [passage indistinct]

He also said that he has given instructions for a revision of the so-called Banzer codes [words indistinct].

POLITICAL PARTIES DISAGREE WITH PADILLA STATEMENTS

PY031303Y La Paz Radio Panamericana Network in Spanish 1130 GMT 3 Jan 79 PY

[Text] The political parties have unanimously stated their disagreement with the government's rejection of proposals which they believe to be essential in order to guarantee the impartiality of the coming elections: nomination of labor leaders as candidates, withdrawal of troops from the mines, and annulment of the military-peasant pact. The official (?position) is contained in the yearend speech given by President Padilla Arancibia.

The Democratic Alliance of National Revolution [ADRN] formed by the National Revolutionary Movement and the Authentic Revolutionary Party has stated that the president's statements do not respond to the true situation of the country. The ADRN argues that neither the constitution nor any other legal instrument authorizes the existence of pacts between sectors within the country.

RADIO PANAMERICANA REPORTS ON INFIGHTING WITHIN FUDP

PY041957Y La Paz Radio Panamericana Network in Spanish 1700 GMT 4 Jan 79 PY

[Text] Former Presidents Hernan Siles Zuazo and Luis Adolfo Siles Salinas are at the head of two strong currents within the Democratic and Popular Unity Front [FUDP] as possible presidential candidates in the elections next July.

This has been reported to Radio Panamericana by sources close to that political sector. The sources said that both Hernan Siles and Luis Adolfo Siles have strong backing in the FUDP. There is now a division between the two sectors, but attempts are being made to overcome the split and maintain the monolithic unity of the FUDP, the sources told us.

They also reported that there are three candidates for vice president: Jaime Paz Zamora, Guillermo Aponte Burela and Edil Sandoval Moron. The first has full support from Siles Zuazo and the last has the support of all the parties forming the FUDP.

The national FUDP convention will elect the candidates both for president and vice president, and it is still premature to discuss the matter, the sources said.

[Paris AFP in Spanish at 1558 GMT on 4 January 1979 reports from La Paz that "former President Hernan Siles Zuazo today presided over a meeting of FUDP leaders in which Jaime Paz Zamora was accepted as running mate for Siles Zuazo." The AFP report says that the internal crisis has thus been overcome in the FUDP.]

PEASANTS DETAINED IN ARMY COMMANDO ACTION

PY041240Y Paris AFP in Spanish 2346 GMT 3 Jan 79 PY

[Text] La Paz, 3 Jan (AFP)--Fifteen peasants were detained and four are officially missing after a commando action carried out by army personnel, it was reported here today.

A press communique issued by peasant sectors states that the soldiers arrived in Villa Anta, 80 km from La Paz, in six trucks and two jeeps accompanied by plainclothes agents who rode in a pickup truck. The communique states that the detainees were taken to a regiment headquartered in Viacha, 24 km from La Paz.

The communique adds that the army commandos looted stores, hit several men and carried out a 5-hour combing operation in the area without releasing any official information on the event.

BRIEFS

JAPANESE DONATION--This morning Agriculture Minister Rolando Saravia and the Japanese ambassador signed an agreement by which the Japanese Government donates 500 million yen (about $2.5 million) intended for the purchase of Japanese farming machinery and chemical products for the improvement of Bolivian farming production. [La Paz Radio Panamericana Network in Spanish 1700 GMT 4 Jan 79 PY]

SAMORE, CUBILLOS COMMENT ON TALKS; SAMORE DEPARTS

Samore, Cubillos Make Statements

PY041801Y Buenos Aires NOTICIAS ARGENTINAS in Spanish 1710 GMT 4 Jan 79 PY

[By special correspondent]

[Text] Santiago, Chile, 4 Jan (NA)--Cardinal Samore said at noon today that his next step will be to return to Buenos Aires "to continue a dialog on those basic ideas which we have discussed and studied here in Chile." Although he said that so far no specific time has been set for his departure, it seems he will leave for Buenos Aires tomorrow.

Both the papal envoy and Chilean Foreign Minister Hernan Cubillos issued statements at the nunciature, where they held a meeting which lasted a little more than an hour and which Cubillos termed "very pleasing."

Cubillos noted that the exchange of ideas "has been extraordinarily useful for the parties involved" and he explained that in "diplomatic relations there are subjects which need secrecy at the negotiating stage." This is the first time during his mission that Cardinal Antonio Samore has made a statement in the presence of the foreign minister of one of the two countries. The cardinal said he does not exclude the possibility of returning to Buenos Aires. He immediately explained: "If necessary, it is my mission to be a link," but he added that no time has been set for his return.

He was asked: What will be your next steps? He answered: "The next steps will be precisely to go to Buenos Aires to continue this dialog on those basic ideas which we have exchanged here, those ideas which we have reviewed and studied."

When newsmen were allowed into the nunciature, they entered the room where the meeting was being adjourned and where the cardinal and the Chilean foreign minister were already on their feet. Cubillos said: "We have had another very pleasing, very cordial meeting, and we are carrying on the process which his eminence defined as being for information and the exchange of ideas." The papal envoy added: "These are common ideas but, as you know, there are two parties and the Holy See, and therefore it is still necessary to continue chatting, talking and trusting to achieve something positive."

When they became overwhelmed with questions by newsmen from both countries, the Chilean foreign minister stated: "The important thing to emphasize at this point--I believe we do not have the right to ask his eminence for more at this moment--is that the exchange of ideas has been extraordinarily useful and positive for both parties. As you know, there are subjects in diplomatic relations which must be kept in reserve during the stage of negotiations. Therefore, as soon as we can we will be pleased to give you more information."

The papal envoy then made this unsolicited statement: "I am fully satisfied. But for my part, I want to convey my thanks to both the Chilean and Argentine communications media because although I have noticed your great interest, you have not bothered us. You did not resort to violence (smiling). Therefore I am very grateful to you. I recognize that this is an experience which I did not expect to gain here. Thank you and may God help us reach something which may be worth reporting and which you may release as good news."

Finally, Cardinal Samore said that this morning in the Maipu sanctuary he received a good impression like that he had in Lujan--"devotion, profound faith, especially in Maipu, where the brotherhood between the two peoples was strengthened. Thus, I had the same impression in both countries."

Question: Has relaxation been achieved?

Answer: "We want to reach that point but we do not say we have reached it," the cardinal said.

Question: "Has a nonaggression pact been discussed?" a Chilean journalist asked.

Answer: "Aggression pacts, nonaggression pacts, are something..." the cardinal said.

And Foreign Minister Cubillos added: "There are nonaggression pacts now in force."

Queries made among the delegates of the Samore mission to determine whether the papal envoy will again go to Buenos Aires were also unsuccessful. Msgr Angelo Sodano, the apostolic nuncio in Chile, noted however that the cardinal is taking the same steps on both sides, "as a mother does with her children," he said in drawing a comparison.

Therefore, it can be inferred that the cardinal will return to Buenos Aires tomorrow since by then the cardinal will have completed the same number of hours he spent on his last stay in Buenos Aires, which lasted from Saturday noon to Tuesday afternoon.

Papal Envoy's Departure

PY042140Y Buenos Aires NOTICIAS ARGENTINAS in Spanish 2110 GMT 4 Jan 79 PY

[By special correspondent]

[Text] Santiago, Chile, 4 Jan (NA)--The pope's envoy, Cardinal Antonio Samore, left for Buenos Aires shortly after 1700, apparently satisfied with the job done here and saying that he did not know if he would have to return to the Chilean capital. "God willing there will not be a need for a third round of negotiations," said the cardinal, but he explained that he will be willing, if necessary, to do it again.

Cardinal Samore was accompanied to Pudahuel airport by Chilean Foreign Minister Hernan Cubillos and other high-level officials.

Explaining the reasons for his new trip to the Argentine capital, Samore said that "as we have finished this new stage with four meetings in 2 days, which have been very useful, we want to go ahead, continue, not remain idle." He also said that he will stay in Buenos Aires "1 or 2 days to continue the negotiations." He said: "We cannot remain up in the air. In the air with the airplane, yes; but with the negotiations, no." The cardinal said that "there is progress, there is progress and these meetings have been very useful and fruitful."

Asked if the Vatican was being informed, he said "of course," and that he has been constantly reporting to the Vatican because this is part of his mission, the mission of an envoy who does not have authority by himself if it is not granted, if he does not receive the appropriate instructions.

Asked about a message for Chileans, the cardinal gave a wide smile and said: "I hope I have the opportunity to return but on vacation."

EL MERCURIO COMMENTS ON LATEST STAGE IN BEAGLE ISSUE

PY041738Y Buenos Aires LATIN in Spanish 1444 GMT 4 Jan 79 PY

[Text] Santiago, Chile, 4 Jan (LATIN)--The Chilean-Argentine border conflict will have to be solved through "reasonable means, after putting aside force and threats," the morning newspaper EL MERCURIO stated today. The daily newspaper stated in its editorial that the Argentine tactics at the present negotiations "have been primarily aimed at having Chile relinquish its rights to avoid war."

The paper added that "the formal appointment of the Holy See as a mediator should give way to the initiation of reasonable negotiations--that is, negotiations which will not be exposed to the imposition of force of threats or violence." It added: "Both parties must solemnly state that they consider it inappropriate to resort to arms to solve the conflict."

The paper also pointed out that "at the present stage of the conflict, Argentina has both maintained and intensified its military mobilization, has reinforced and intensified its measures harassing the Chilean people and is still carrying on a hostile publicity campaign against Chile and its government."

The doyen of the Chilean press believes that as a result of these tactics, the pope's special envoy, Cardinal Antonio Samore, "may unknowingly become the spokesman of pressures dictated by Argentine power centers which lack the spirit of peace and which are moved by violence."

NAVAL FLEET RETURNS TO VALPARAISO FROM SOUTHERN WATERS

PY041326Y Santiago Chile Domestic Service in Spanish 1000 GMT 4 Jan 79 PY

[Text] The Chilean fleet has returned to port. After spending a long period in the southern region, the units of the national fleet led by the flagship Arturo Pratt have anchored in Valparaiso Harbor. The fleet, under the command of Vice Adm Raul Lopez Silva, was officially received by Vice Adm Arturo Trancoso Daroch, commander in chief of the First Naval Zone and regional administrator.

The units stood off the Valparaiso coast from 1000 to 1400 due to a thick fog covering the coast. Once the fog lifted in the afternoon, the fleet entered port. The crew is on leave in Valparaiso after being in the southern region during New Year's festivities.

GOVERNMENT AGREES TO AFL-CIO CONDITIONS ON LABOR LAWS

PY031455Y Buenos Aires TELAM in Spanish 1230 GMT 3 Jan 79 PY

[Text] Santiago, Chile, 3 Jan (TELAM)--The Chilean Government has accepted the conditions imposed by the AFL-CIO for the normalization of labor activities. These conditions were made known to Finance Minister Sergio de Castro during a secret trip he made to the United States for a meeting with U.S. labor leaders. The latter gave him a deadline of 8 January for such a normalization, and Jose Pinera, the new labor minister, has announced the normalization of labor activities. Instructions have been given to all municipalities to permit meetings without advance notice. He also said that labor union dues will be discounted in salary lists, and that all labor unions and federations will be normalized through elections in June, at the latest.

These were the AFL-CIO conditions to stop the boycott against Chile, and the government has now accepted them. Therefore, the announced boycott will reportedly not take place since an agreement has been reached.

Pinera Describes Normalization Plan

PY041320Y Santiago Chile Domestic Service in Spanish 1000 GMT 4 Jan 79 PY

[Text] Labor Minister Jose Pinera has described the labor plan as a bridge between the government and workers. He reasserted that the government program for normalizing union activity will be put into effect within 6 months. He explained that the first pillar of the program is the plan itself, and the other is the freedom of unions to hold meetings. The plan provides that laws concerning labor organizations, collective bargaining, union elections and union fees should be enforced by 30 June.

The Interior Ministry has issued a notification to all military administrators and provincial governors announcing that unions can hold meetings at their headquarters without needing prior authorization. The labor minister insisted that this labor plan is within the government program to (?establish) union institutionality. He denied that the plan was drafted to avoid the boycott announced by the Inter-American Regional Labor Organization, ORIT, and added that it is within existing government guidelines.

He noted that the labor plan will perhaps contribute to dispelling the erroneous information circulating abroad regarding government labor policy. He stated that an eventual boycott against Chile would not be successful because of the present solid situation of the Chilean economy.

The labor minister believes that the enforcement of the labor plan shows the desire of the government to go beyond mere announcements. He reasserted that the plan tries to establish a free, democratic, autonomous and self-financed labor movement. The new labor policy is aimed at producing a rapprochement not only between the government and workers, but also between private businessmen and workers.

Businessmen Support Labor Plan

PY041338Y Santiago Chile Domestic Service in Spanish 1000 GMT 4 Jan 79 PY

[Text] According to businessmen, the labor plan is a continuation of the government's labor policy. Guillermo Elton, president of the National Business Chamber, said the measures adopted are positive. He added that businessmen have maintained that collective bargaining would have to come eventually when the economic situation allowed it. He added: I believe that now everything has been normalized and we agree with the policy which will be enforced.

He noted that the labor minister said this step would demand full participation, cooperation and technical support. Elton said: We believe that collective bargaining will be carried out within a framework of mutual understanding between businessmen and workers.

Sergio Silva, president of the National Construction Chamber, said that the labor minister's statement was quite clear and left no doubt about the procedure of the time in which the measures will become effective. He added that this means a normalization of labor relations, and in the business area it will mean a search for equality and justice in collective bargaining.

Hernan Daroch, president of the industrial development corporation, Sofofa, believes the labor plan is a positive step because for the first time it groups workers, businessmen and government authorities. He added that workers and businessmen have agreed that the Labor Ministry will control the fulfillment of agreements and pacts achieved by the two parties. He noted that the labor minister clearly stated that both workers and businessmen must be efficient because otherwise the enterprise would disappear.

REPORT ON GUERRILLA WEAPONS THEFT, PEOPLE'S JAIL

PA050040Y Paris AFP in Spanish 1832 GMT 4 Jan 79 PA

[Text] Bogota, 4 Jan (AFP)--Observers commented here today that the large theft of weapons from the army by the M-19 organization on 31 December and the four deaths in the urban guerrillas' people's jail, which was discovered in Bogota yesterday--have shaken Colombia's political and social panorama.

The two events are closely linked since the discovery of the people's jail came after the army had launched an almost desperate search for the weapons that were seized in the spectacular theft which netted 5,670 rifles from the military institutes brigade (BIM). The search operation led to the discovery of the sophisticated M-19 hideout.

That people's jail is apparently not the same one in which union leader Jose Raquel Mercado was held and killed 3 years ago.

Army circles stressed that the M-19 has stopped being "a completely phantom movement," as had been maintained since the group's appearance about 5 years ago.

After the theft of the weapons, the M-19 issued a communique to the newspapers which included the signature of former opposition legislator Carlos Toledo Plata, who has gone underground as a leader of the organization. It has not been possible to investigate the other two signatories of the document, Felipe Gonzalez and Pablo Garcia. The two men do not have records in the files of the police or identification departments to permit the discovery of their activities or whereabouts.

Photographs published in today's newspapers seem to indicate that the people's jail dismantled on Wednesday in which Nicolas Escobar Soto, president of the Texas Petroleum Company in Colombia, was killed is the same [as received] one where Mercado was held.

However, observers have stressed that the M-19 always takes credit for its actions and so far it has not done so in the case of Escobar Soto. Experts believe that he might have been killed by other subversive groups which want to mislead the investigations by blaming the M-19.

The two events--the theft of the rifles and the location of the people's jail--are replicas of the operational methods used some years ago by the Argentine urban guerrillas and particularly the ingenious Uruguayan Tupamaros.

For the theft of the weapons, the guerrillas carried out a successful operation to construct an almost 80-meters-long tunnel "under the noses" of the military in a highly guarded and restricted access area.

The rifles and ammunition stolen weighed approximately 30 tons. The tunnel seemed to be a copy of the one used by the Tupamaros in 1971 to free 111 guerrillas imprisoned in Montevideo. It still cannot be explained how they were able to remove such a large and heavy amount of weapons in 3 days.

Unofficial reports indicated that several automobiles constantly entered and left the house from which the tunnel to the military installation was built.

PERMITS OF VIETNAMESE REFUGEE SHIPS SUSPENDED

PA050322Y Panama City Televisora Nacional in Spanish 2315 GMT 4 Jan 79 PA

[Text] The Panamanian Foreign Ministry announced today the government's decision to cancel the navigation permits of the ships Tung An and Huey Fong, frequently mentioned by the international press in connection with the illegal transportation of a large number of Vietnamese refugees without taking into consideration that the security certificates which were issued establish a limit on the number of persons who can travel aboard those vessels.

The limits were surpassed in an excessive manner, violating the international convention on the safety of human life at sea of 1960. These ships are now in the bay of Manila, Phillipine territorial waters.

GOVERNMENT ASSUMES CONTROL OF AIR PANAMA

PA041705Y Panama City STAR AND HERALD in English 4 Jan 79 pp 1, 7 PA

[Text] National Finance Corporation (COFINA), a Panama Government agency, assumed direct control of the operation of Air Panama Monday when the firm that had an option to buy 49 percent of the airline's shares failed to do so by last Dec 31.

Aviones de Panama, a private firm, was granted the option around the middle of last year when the Spanish airline Iberia, which owned 51 percent of the shares, threatened to pull out because local shareholders refused to put up more capital to expand the airline's operations.

COFINA stepped into the picture when Iberia demanded payment of $23 million for its shares and the airline was in danger of folding. The government agency assumed Iberia's shares in Air Panama for $6.5 million late in 1977 after several weeks of negotiations.

Pedro Rognoni, the agency's general manager told newsmen yesterday that Olmedo Miranda Jr., a lawyer, and Tomas Paredes, an engineer, had been temporarily appointed to coordinate the administration of Air Panama.

"Later on other decisions will be taken, a permanent administrator will be named and we will start looking for another shareholder," Rognoni said.

"We will seek out a well-established airline in the United States or Europe that is willing to be a partner with the Government of Panama in operation of Air Panama," he added.

Air Panama has about 420 employees and operates three Boeing 727-100 aircraft between Panama, Miami, Los Angeles, Guayaquil, Bogota, Mexico and Lima.

Rognoni said the decision to immediately cancel Aviones de Panama's option was taken Monday when the airline's pilots balked at an attempt by the company to replace the 727s with older but larger 707-100 aircraft, which Aviones de Panama intended to lease in the U.S.

"We understand the 707s were the first or second lot of planes purchased by American Airlines in 1958 and the pilots did not want to fly inferior equipment and we agreed with them," Rognoni told newsmen.

POVEDA BURBANO'S GREETINGS TO ARMED FORCES, DIPLOMATS

PA041730Y Quito Voz de los Andes in Spanish 1230 GMT 4 Jan 79 PA

[New Year's address by Adm Alfredo Poveda Burbano, president of the Supreme Council of Government, place and date not given--recorded]

[Excerpt] In his address before the diplomatic corps, Adm Alfredo Poveda Burbano said: Ecuador, which is a country with a pacifist spirit that has never refused to sincerely cooperate with the cause of peace and good will, that has faith in the peaceful solution of disputes and makes every possible effort to strengthen true American unity, can only feel saddened by the difficulties that threaten to destroy the peace of the American Continent and the unity and harmony that we are obliged to protect as a heritage of our common history. This occasion is a propitious one on which to express the most heartfelt desires, in the presence of such distinguished envoys, for the maintenance of that tradition which honors the Americanist spirit.

These same feelings which are so dear to our national personality have been deeply affected by the irresponsible and criminal actions of those who have attempted to disrupt the atmosphere of peace and harmony which is essential for the historic phase being carried out in Ecuador. The national government will fulfill its obligations and commitments of peacefully leading the country to clearly democratic solutions.

Messrs ambassadors, I have faith in the future of America and the world. I have faith that despite the confusion and uncertainty that surrounds us, if we have a spirit of good will--on the basis of which we are gathered today--there will be a successful conclusion to the disarmament negotiations that are being carried out in several forums; tensions will give way to harmony; there will be a decrease of prepotency and [word indistinct] as a means of hegemony over men and nations; and the necessary conditions will be established to join efforts and resources to benefit poor men and poor countries and lead to a more humane, just and equitable world.

PARTIES TO RECEIVE 25.9 MILLION SUCRES IN STATE FINANCING

PA041800Y Quito Voz de los Andes in Spanish 1230 GMT 4 Jan 79 PA

[Text] The political parties that obtain at least 10 percent of the votes in the next legislative elections will receive a total of 25.9 million sucres this year in accordance with the provisions of the law and the general state budget approved for 1979. The law establishes that the state will contribute to the financing of the parties through the permanent party fund. It also indicates that the general state budget will include an annual allocation equivalent to 0.5 per 1,000 [not further explained] of the government expenditures in the budget. The law states that only those parties which receive at least 10 percent of the votes in the (?legislative) elections will have the right to receive state financing.

BRIEFS

OIL RESERVES--According to Ecuadorean state petroleum corporation acting manager Abelardo Pachano, as a result of the exploratory and development work carried out in the country during 1978, Ecuador's probable reserves in the eastern region currently amount to 371 million barrels. Proven reserves in the same area are currently pegged at 13 million barrels. [Quito Voz de los Andes in Spanish 1230 GMT 24 Dec 78 PA]

CONSTITUENT ASSEMBLY CALLS FOR REJECTION OF PRICE INCREASES

PA042005Y Paris AFP in Spanish 1645 GMT 4 Jan 79 PA

[Text] Lima, 4 Jan (AFP)--Peru's Constituent Assembly has proposed the rejection of an increase in the prices of gasoline, rice and transportation fares decreed by the government 2 days ago and believed to be the cause of a 72-hour strike scheduled for Tuesday. The motion--presented by the Peruvian Aprist Party, amended by the Popular Christian Party, and supported by other groups--will be submitted for approval on Monday. An indefinite strike will begin on that day in Iquitos, the largest city in the Amazon region, to support the demand for greater attention from the government. Meanwhile, the strikes being staged by electricity workers in the country's interior, teachers of a dozen provincial universities and workers of the government-owned telephone company continued. The telephone workers yesterday announced that the strike would last 72 hours. Lima's garbage collectors, on strike since 26 December, suspended their strike for 2 days, threatening to resume it if their wages are not increased.

The Aprist proposal rejects the price increases made by the military regime on Tuesday, claiming that the proposal is compatible with the people's interests. The assembly is again presided over by Raul Haya de la Torre, who had taken a 3-week rest prescribed by his doctors. The Popular Christian Party, the assembly's second largest, amended the Aprist proposal by adding an article which states that the creation of a plan for economic recovery is urgent. The plan should be aimed at increasing employment and wages in order to cope with the consequences of monetary devaluation, the article states. Last night the labor minister warned that the 72-hour strike, called by the General Confederation of Workers of Peru (communist) and supported by the Orthodox Communist Party, would be declared illegal. The strike, the fourth over the past 2 years, supports the demand for the annulment of the increase in the prices of staples, salary increases, the repeal of antilabor laws, more attention to slums and economic, technical and financial support for peasants.

The other three labor centrals have not yet announced if they support the strike. Spokesmen for the Aprist central, the General Labor Confederation, stated that they would not go along with the communist game, prefering the dialog with the government. They felt that measures such as these might damage the plan for the transfer of power to civilians and that the unity of all labor centrals is therefore required. Finally, it was reported that the Christian and the progovernment centrals are discussing the matter with their rank and file, while the extreme leftist unions will support the strike.

WORKERS CONFEDERATION TOLD TO CALL OFF STRIKE

PY041557Y Lima Domestic Service in Spanish 1200 GMT 4 Jan 79 PY

[Excerpt] Through Decree No 001-79-912300, the labor administrative authority yesterday declared out of order the 72-hour national strike called by the General Confederation of Workers of Peru [CGTP]. The CGTP was notified of the decree and instructed to refrain from enforcing the 72-hour strike it called for this month, with the warning that if enforced, the strike will be delcared illegal.

ELECTRICITY WORKERS STRIKE DECLARED ILLEGAL

PY041601Y Lima Domestic Service in Spanish 1200 GMT 4 Jan 79 PY

[Text] The labor administrative authority has declared illegal the strike being observed by workers of the Peruvian state electricity enterprise and has urged them to return to work within the established legal period. Otherwise, their action will be considered as abandonment of work.

PRESIDENT EXPRESSES WISH TO SELL OIL TO UNITED STATES

PA042323Y Paris AFP in Spanish 1904 GMT 4 Jan 79 PA

[Text] Mexico City, 4 Jan (AFP)--President Jose Lopez-Portillo announced today that Mexico is willing to sell oil to the United States because it is a logical customer.

Concerning gas, the chief of state conditioned sales to the United States on the existence of a surplus and the purchaser's acceptance of the price set by Mexico.

During a news conference the president also mentioned the upcoming visit of his counterpart, Jimmy Carter, saying that it will permit an advancement in just and worthy relations between the two neighboring countries.

Differences on the price of Mexican gas, which are more than 1 year old, now constitute a key point on the agenda that Lopez-Portillo and Carter will study here next month.

The Mexican president said that the oil price hike will have an inflationary "effect," but he gave assurances that Mexico is prepared for that international phenomenon and that it will not be as serious as in other developing countries.

The president stated that Mexico has generally entered a stage of economic recovery after the serious 1976 crisis. It will still face some more risks this year, he added, but the worst is over.

HAVANA RADIO QUOTES PAPER'S PRAISE OF CUBAN REVOLUTION

FL041143Y Havana Domestic Service in Spanish 1100 GMT 4 Jan 79 FL

[Text] The Mexican daily UNO MAS UNO has commented in its editorial page on the speech made by Commander in Chief Fidel Castro at the Plaza de la Revolucion event on the occasion of the 20th anniversary of the revolution's triumph.

UNO MAS UNO points out that the United States did not like the contents of Fidel's speech, who once more denounced the criminal blockade against the Cuban people and that country's partial occupation of Guantanamo. The daily stresses that Fidel's speech should not take the State Department by surprise because it is neither the first time, nor will it be the last, that he lashes out at the United States inasmuch as the White House has not modified its hostile attitude toward heroic Cuba.

TORRIJOS VISITS PUERTO OBALDIA IN FIRST PUBLIC APPEARANCE

PA050317Y Panama City Circuito RPC Television in Spanish 2300 GMT 4 Jan 79 PA

[Text] Gen Omar Torrijos, commander in chief of the National Guard, after announcing his decision to return to the garrisons last October, made his first public appearance yesterday in a distant community of the republic to continue his tours throughout the country.

On this occasion Torrijos visited Puerto Obaldia, a border village, accompanied by Lt Col Ruben Dario Paredes and Lt Col Pedro Carlos Ayala, both National Guard high staff members; Edwin Fabrega, Institute of Hydraulic Resources and Electrification [IRHE] director; and Gerardo Gonzalez, Democratic Revolutionary Party president.

Torrijos and his retinue were received by representative Eufemia Laguna and civilian and military authorities of the community. His first stop was Puerto Obaldia's elementary school, where he talked to school Principal Aura Ceballos de Tus, with whom he exchanged views on the region's educational problems. Torrijos also talked to other members of the community who told him about the community's most urgent needs: electric power and beef.

IRHE director Fabrega said that studies for the construction of a hydroelectric plant in Puerto Obaldia are in progress. Issues of vital importance for Puerto Obaldia's social, political and cultural development were also discussed.

We are grateful to the government because it has always responded to Puerto Obaldia's demands, and for this reason we can assure you that you will find in this community the necessary support for any action taken on behalf of the nation, a resident of Puerto Obaldia told General Torrijos during his visit.

U.S. CRITICIZED FOR SUPPORT OF DICTATORSHIPS

PA041521Y Panama City Radio Hogar in Spanish 1230 GMT 4 Jan 79 PA

[Commentary by Milciades Ortiz, from the "Radioperiodico Conciencia" program]

[Text] The events taking place in Iran should serve as a new lesson to the world. A dictatorial government supported by the United States has not been able to destroy the will for freedom and better days for the people of Iran. It is a situation similar to that taking place in Nicaragua, here in Latin America.

The shah of Iran is arrogant, however, and like all rulers who believe themselves to be descendants of the gods, he thinks he should remain in power until his death.

Such arrogance has already caused thousands of deaths among the Iranian people, who have shown their determination to sacrifice their lives in order to end the pro-U.S. dictatorship of the shah of Iran.

The lesson is quite simple and the United States commits an error in supporting dictators who have little or no concern for the welfare of their people.

Observers believe that they used a very sophisticated ventilation system in the tunnel and and pulleys. However, this was not confirmed by the army, which has remained completely silent on the matter although it has promised to hold a news conference in the next few hours.

Following the example of the Argentine Montoneros and the Uruguayan Tupamaros regarding the people's jail, the M-19 guerrillas built an ingenious system for underground survival.

The hideout was placed 8 meters under a house being built. It had an elevator system capable of carrying one person hidden behind a revolving wall. The jail was made up of two rooms, one used for the guards and the other as a cell with bars where the kidnaped persons were held.

It also included an excellent alarm system with three types of lights: white, which assured those in the underground house that all was well; green, which was turned on when food was sent down to the kidnaped persons; and red, which was used to announce any kind of danger. The red light went on when police agents or suspected secret agents got near the house.

According to observers, that sophisticated equipment must have cost a large sum of money and was probably financed with the ransom money received for other kindaped persons.

Operations continued today in various points of Bogota and the country in search of the weapons, which the authorities believe are not easy to hide.

FOREIGN MINISTER TO TRAVEL TO PERU 19 JANUARY

PA041938Y Bogota Radio Cadena Nacional in Spanish 1730 GMT 4 Jan 79 PA

[Text] Foreign Minister Diego Uribe Vargas will travel to Lima, Peru on 19 January. He will attend the ratification ceremony marking the Amazon development agreement between the Colombian and Peruvian governments. The Amazon basin development program was approved in the past ordinary sessions of Congress.

Minister Uribe Vargas will remain in Lima until 22 January.

Rognoni also denied that Aviones de Panama had sold Air Panama's three planes owned by Air Panama. He said two of the planes were serviced in Miami and one of them would be back in service today and the other on Saturday or Sunday.

Air Panama had cut down on its operations while the two planes were being serviced but flights have been resumed to Miami and Bogota, Rognoni said.

COFINA's manager said all the debts acquired by the airlines while it was being operated by Aviones de Panama will be honored, adding that thought is being given to the purchase of new aircraft and an offer made by Boeing is being considered.

Rognoni also revealed that COFINA is trying to find out the fate of a 727 sent to California two months ago for servicing.

"We know it has not been sold," he said.

'GOD AND PANAMA' GROUP TO STAGE ANTICOMMUNIST DEMONSTRATION

PA041758Y Panama City CRITICA in Spanish 4 Jan 79 p 6 PA

[Paid advertisement by "God and Panama" [Dios y Panama] "No to Russian-Cuban Imperialism"]

[Text] Panamanians: Go to the mass which will be said for God and Panama on Monday, 8 January, at 1700 at Don Bosco Church from where we will march to the Foreign Ministry to demand that the alleged Russian "trade mission" does not come to Panama.

We do not want a Russian Embassy or a Cuban Embassy. We will declare them non gratae because they are commands of espionage, subversion and terrorism, enemies of liberty, peace and the faith.

Panamanians: This is your time to defend your faith and democratic principles. Accompany us during this demonstration to say another flat no to Russian-Cuban imperialism. God and Panama.

[Signed] Ariosto Candanedo

COSTA RICA

OFFICIAL DENIES COMMON MARKET WITHDRAWAL

PA042034Y San Jose Radio Reloj in Spanish 1730 GMT 4 Jan 79 PA

[Station reporter's interview with Second Vice President Jose Miguel Alfaro on 4 January 1979--place not given]

[Text] [Question] Mr Alfaro, Guatemalan radio stations and newspapers have been insisting today that Costa Rica has withdrawn from the Central American Common Market due to an unaccounted for deficit of 27 million [no currency specified] in the marketing of goods and that it is now planning to open a market in the Caribbean. Is there any truth to this?

[Answer] This is not true, definitely not true. During its history in the Common Market, Costa Rica has had a trade deficit for several years, so the fact that a trade deficit was reported in 1978 in no way implies that Costa Rica will leave the Common Market.

What the government of the republic is carefully studying is the effect the current crisis in the Republic of Nicaragua has on the Central American Common Market. But we have in no way withdrawn from the Common Market. On the contrary, the government is very interested in studying the situation and in seeking possible measures to safeguard the Common Market and undoubtedly improve Costa Rica's standing within it.

[Question] It has been mentioned that among the measures the incumbent administration is thinking of implementing to save its participation in the Central American Common Market for the Central American market is some sort of new tax. Is this true?

[Answer] I would not like to comment on that. The president of the republic will address the nation tomorrow to analyze the basic aspects of Costa Rica's economy right now and no doubt he will mention the Central American Common Market situation.

[Question] Regarding the Central American Common Market, is there any possibility of establishing an energy policy?

[Answer] The administration will approach the energy problem as a whole. Certainly some aspects of that energy policy concern the Central American Common Market.

[Question] The important thing then, Mr Alfaro, is that Costa Rica has not given thought to leaving the market.

[Answer] Definitely. Costa Rica has no plan to leave the Central American Common Market despite press speculation in some Central American countries.

[Question] Is it also true that the situation in Nicaragua is affecting the Common Market?

[Answer] Unfortunately, that is definitely true.

[Question] Does it to some extent affect Costa Rica economically as well?

[Answer] It can affect us, and one of the things the government is considering is the study of measures that will minimize that effect. It is logical, Rolando, that when one partner out of five experiences a serious domestic situation, it has its effect on the others.

[Question] Thank you. We have just heard Second Vice President Jose Miguel Alfaro. Thank you, sir.

PRESIDENT ANNOUNCES DIESEL FUEL PRICE INCREASE

PA041406Y San Jose Radio Reloj in Spanish 1200 GMT 4 Jan 79 PA

[Text] President Rodrigo Carazo has said that the price of diesel fuel will increase by 8 percent. Gasoline is not expected to pose an economic problem because it is not widely used in industry. But the 8 percent diesel price increase does involve a cost factor. Therein lies the difference, said the president.

We will have to think about industry, agriculture, mass transportation, the production of electrical energy and everything else that is influenced by diesel costs in industry, agriculture and other fields, the president said.

Costa Rica is receiving loans to cover the price increase; that is, the difference between the actual price and the price increase. President Carazo has been in touch with the Venezuelan president-elect, Luis Herrera Campins, to obtain the difference between the actual price and the price increase from Venezuela as a loan. Carazo said everything possible has been done to obtain a special price, but it is difficult in view of international agreements.

The president added that the policies adopted by the government definitely will not permit new and dangerous salary increases. An escalation of prices and salaries results in losses for consumers. The adjustment of the economy must be technical and efficient, as the president will inform the nation on Friday. These economic adjustments affect not only the government but the country as a whole. That is why we are going to attempt to counteract their effects, he concluded.

GUATEMALA

LUCAS GARCIA OPPOSED TO PRESIDENTIAL MEETINGS

PA050050Y Panama City ACAN in Spanish 1919 GMT 4 Jan 79 PA

[Excerpt] Guatemala City, 4 Jan (ACAN-EFE)--Guatemalan President Fernando Romeo Lucas Garcia said today that he opposes the idea of holding meetings among the Central American presidents "because I do not like to get involved in the affairs of other countries."

Lucas made a statement about his "unrestricted respect for the sovereignty of the remaining Central American countries and that of any other nation," while categorically denying that a meeting of the area's four military rulers had been held here in Guatemala.

"I have not attended any such meeting." During an interview with this agency Lucas Garcia commented: "I do not know where or why it has been said that a meeting was held here."

To confirm his statements, the Guatemalan president noted that "I do not even have the honor of personally knowing the Honduran chief of government, Gen Policarpo Paz Garcia.

He then added that for the time being he is not willing to participate in, much less sponsor, a Central American summit meeting.

"I respect the rights of all peoples to resolve their problems without foreign interference, and I am in no way interested in getting involved in the domestic affairs of other countries," he stressed.

What if the other Central American rulers, or at least one of them, calls the meeting? "Then we shall see. We shall study the proposal," he responded flatly.

Lucas Garcia admitted that there are "certain border problems in the Central American area which affect us." But he affirmed that he is not willing to act unilaterally as a "good settler of things" either concerning the problem between El Salvador and Honduras, which dates back several years, or the recent one between Nicaragua and Costa Rica.

"Whenever there are problems, such as the closing of the borders between Nicaragua and Costa Rica, I personally speak on the phone with Presidents Carazo and Somoza. They explain to me and inform me of the situation and that is the end of that," he remarked.

Lucas then reiterated his respect for the domestic problems of other countries and once again denied having attended a Central American summit meeting.

SECRET ANTICOMMUNIST ARMY THREATENS TO KILL 24 LEFTISTS

PA041748Y Panama City ACAN in Spanish 1653 GMT 4 Jan 79 PA

[Text] Guatemala City, 4 Jan (ACAN-EFE)--The clandestine Secret Anticommunist Army (ESA) today announced that it has condemned to death 24 Guatemalan labor leaders and intellectuals whom it accuses of promoting leftist subversion in Guatemala. In its bulletin No 6 sent to Guatemala City newspapers the ESA indicated that "it knows where those threatened are hiding." It warned them that they must stop their alleged political activities or "they will be unmercifully executed."

The ESA, which was recently established in Guatemala, indicated that it has decided to act against leftist subversion because of government inaction.

The ESA has threatened the following persons: Leonel Luna, Israel Marquez, Victor Guzman, Victor Manuel de la Roca, Manuel Lopez, Elpidio Cano, Luis Quevedo, Julio Cabrera, Domingo Perez Salazar, Neri Espinoza, Ramon Aldana, Aquiles Linares, Juan Francisco Osorio, Mariano Ramirez, Augusto Arrecis, Hector Samayoa, Manuel Angel Albizurez, Antonio Blanco, Odilon Maldonado, Juan Canel, Enrique Torres Lezama, Mario Solorzano, Americo Cifuentes and Miguel Angel Andrino.

The ESA made a similar threat at the beginning of October. A few days later Oliverio Castaneda, secretary general of the University Students Association (AEU), was shot and killed. He was among those threatened.

HONDURAS

NEW CABINET MINISTERS EXPLAIN ECONOMIC PLANS

PA050150Y Panama City ACAN in Spanish 1831 GMT 4 Jan 79 PA

[By Armando Cerrato of ACAN-EFE]

[Text] Tegucigalpa, 4 Jan (ACAN-EFE)--The new Honduran finance, economy and economic planning ministers who were sworn in yesterday by the military government junta today promised to struggle to stabilize the country's economy.

Valentin Mendoza, the new finance minister, told ACAN-EFE that "1979 will not be a year of new taxes" and that "greater emphasis will be placed on public credit by rationalizing the availability of resources to private banks." Mendoza believes that credits to the banks should be for longer terms so that interest rates will decrease and the refinancing of debts will increase considerably. [sentence as received]

He also announced that he will make a review to increase the basic income tax exemptions--which now stand at $1,000 per year for the taxpayer, $400 for his wife and $300 for his mother and children. "We are trying to benefit the taxpayer without losses to the state," the official said. At the same time he promised greater flexibility in financing public investments, which will amount to $200 million in 1979.

Carlos Manuel Zeron, the new economy and commerce minister, promised to follow a policy of balanced development which "will commit all sectors to raise the Honduran standard of living." Zeron said that he will submit a study to the government in the next few days aimed at preventing the consumer from absorbing all of the oil price increase adopted by the Organization of Petroleum Exporting Countries. He added that he will search for ways to decrease the impact of the international market price drops of such products as coffee, sugar, meat, cotton and lumber.

Virgilio Caceres Pineda, the new executive secretary of the Economic Planning Council, said that "the Honduran people will enjoy a higher living standard in the near future." He based his optimism on the government's decision to develop three large projects: a pulp and paper factory, the El Cajon hydroelectric project and a cement factory. Together the three projects will cost more than $1.5 billion, and some financing sources and technical partners [socios tecnicos] have begun working on them. Caceres added that a new development plan is being drafted in which all sectors will participate and that it will be placed in operation this year and run through 1983.

He said that he favors the participation of all sectors in economic planning "although none of them has demanded this right so far." He said that the 1974-1978 national development plan was not completely fulfilled, but that in spite of this its results were "satisfactory."

NICARAGUA

STUDIOS OF SOMOZA-OWNED RADIO STATION DESTROYED

PA041419Y Buenos Aires LATIN in Spanish 0425 GMT 4 Jan 79 PA

[Text] Managua, 3 Jan (LATIN)--The studios of a radio station owned by President Anastasio Somoza were destroyed tonight by a group of persons who threw incendiary bombs. Firemen reported that it was impossible to save the studios located near the office and residence of the U.S. Embassy at the foot of Las Piedrecitas hill in southwest Managua. They were only able to save the administrative offices. The station is administered by Rafael Cano, secretary of information of the Presidency. In another violent incident tonight, Professor Juan Dona, director of the state-owned Ramirez Goyena Institute, was shot by unidentified individuals in front of his house in northwest Managua. It has been reported that his condition is satisfactory after undergoing emergency surgery.

More on Bombing

PA041535Y Panama City ACAN in Spanish 1432 GMT 4 Jan 79 PA

[Text] Managua, 4 Jan (ACAN-EFE)--Last night a Sandinist commando group destroyed a local radio station, Estacion X, which is owned by Nicaraguan President Gen Anastasio Somoza. Dressed in olive drab uniforms, a group of six rebels arrived at the station studios, located in a southern suburb of Managua very close to the U.S. Embassy here. They proceeded to evict the personnel and tied them to a tree near the radio station. They then detonated three bombs inside the recording rooms and studio and set fire to the station with some plastic bags containing a white chemical.

Twenty-five persons have been left jobless with the destruction of the radio station. The amount of the loss was not specified, but was termed "large." The station was insured. No staff members were hurt.

The rebels arrived in a red Nissan car which they later used to escape. They were not caught despite a large-scale search undertaken by military patrols.

Rafael O. Cano, manager of Estacion X, said that orders have been given to rebuild the station immediately. "I think we will be off the air for only a short time," said Cano, who is also the Somoza government's information and press secretary. Estacion X is one of the most powerful commercial transmitting stations in the country with 50,000 watts.

VIOLENCE ERUPTS AGAIN IN MANAGUA, ESTELI

PA041909Y San Jose Radio Reloj in Spanish 1730 GMT 4 Jan 79 PA

[Excerpt] Somoza's radio station was set on fire in the early morning hours. A few days before the first anniversary of Chamorro's death, violence has erupted again in Esteli. Several dead and injured have been reported in the past few hours during clashes in Esteli. Four seriously wounded National Guardsmen arrived in Managua today. A large number of heavily armed National Guardsmen have been deployed to the northern part of the country. Ramirez Goyena Institute Director Juan Dona was shot and is in serious condition. The Masaya Drivers' Union president was arrested last night, and bombing and shooting are constantly heard in Managua. The Sandinist attack is increasing in Nicaragua. The situation is gradually deteriorating in this neighboring country.

FSLN MEMBER KILLED IN CLASH WITH NATIONAL GUARDSMEN

PA0419[illegible]Y Bluefields Radio Atlantico in Spanish 1800 GMT 4 Jan 79 PA

[Text] Roberto Vargas Batres, 25, was killed yesterday at 1800 across the street from the Managua Fire Department during a confrontation with two National Guardsmen. According to reports from the capital, Vargas, along with three other youths, including a girl, were riding in a blue automobile at very high speed and collided with a car owned by a fireman. The reports added that they stopped following the collision and that the three youths fled, leaving Vargas Batres behind because he had been injured in one leg. One of the firemen tried to help him and he told him: Move away, I am a member of the Sandinist National Liberation Front [FSLN]. Vargas Batres drew his gun when he realized that two National Guardsmen were approaching in a red station wagon. Shooting started and Vargas Batres was killed immediately.

FIDEL CASTRO SENDS MESSAGE ON DEATH OF BOUMEDIENE

FL021203Y Havana Domestic Service in Spanish 1904 GMT 1 Jan 79 FL

[Text] In Algiers, the capital of the Democratic and Popular Republic of Algeria, it has been learned today that Commander in Chief Fidel Castro has sent a message of condolence on Houari Boumediene's death. The text of the message states that the example of the deceased leader will serve as a banner for new victories for his people. In the message sent to Rabih Bitat, interim leader of the government, and disseminated today on the Algerian radio and television and published in the paper EL-MOUDJAHID, President Boumediene's role, action and example transcended his country and achieved a world dimension, stated the top leader of our revolution, after recalling that there has not been a struggle against reactionary forces which was not joined by the deceased Algerian leader.

In the condolence message sent by Fidel Castro, first secretary of the PCC Central Committee and president of the Councils of State and Ministers, to Rabih Bitat, interim president of Algeria, it is also pointed out that there was no international crime which Boumediene did not denounce. The document states that Cuba had the honor of counting on the fraternal friendship of Boumediene. Fidel added: I personally had the privilege to spend numerous hours with him on revolutionary work, occasions on which I was able to admire his unselfishness, clear political vision, and immense modesty and simplicity. The commander in chief stated that in the heart of the nonalined movement, the United Nations, the Organization of African Unity and the Arab League, Boumediene's firm voice expressed the solidary message of revolutionary and socialist Algeria, which has always been loyal to the memory of its martyrs.

Signs Condolence Book

FL292213Y Havana Domestic Service in Spanish 2202 GMT 29 Dec 78 FL

[Text] At the Algerian Embassy, Commander in Chief Fidel Castro, first secretary of the PCC Central Committee and president of the Councils of State and Ministers, this afternoon signed the book of condolences for the death of President Boumediene. Fidel expressed his condolences to Algerian Ambassador Bachir Ould-Rouis.

Also visiting the Algerian Embassy to sign the book of condolences were Kang Hui-won, vice prime minister of the DPRK Government Administrative Council, and members of the delegation accompanying him.

During the morning and afternoon hours, the Algerian Embassy's book of condolences was signed by various officials of diplomatic missions accredited to Cuba and Cuban leaders and state officials.

FMC PROVINCIAL PLENARY SESSION CONCLUDES

FL041642Y Havana Domestic Service in Spanish 1502 GMT 4 Jan 79 FL

[Text] The Federation of Cuban Women [FMC] in Havana City has concluded the provincial plenary session with the adoption of a final resolution and issuance of a summons for the third FMC congress.

Vilma Salinas, member of the provincial party committee and secretary general of the provincial FMC, read the main report, in which she stressed that this meeting marks the beginning of Havana City's preparatory activities for the great FMC event. Likewise, she termed last year's accomplishments as positive and added that in that period of time more than 406,300 FMC members had fulfilled all requirements in emulation.

During the provincial plenum, which was held at the Fe del Valle FMC national cadre school, this year's work plans were examined and unanimously approved.

15-PERCENT TRADE INCREASE WITH SOCIALIST CAMP

FL042126Y Havana Domestic Service in Spanish 2102 GMT 4 Jan 79 FL

[Text] Vice Minister of Foreign Trade Manuel Estefania has told Radio Reloj Nacional that trade between Cuba and the socialist countries will increase 15 percent in 1979 in comparison to 1978. Estefania noted that trade with the socialist camp has been characterized by a constant expansion, particularly during the current 1976-80 5-year period, as part of the socialist countries' economic integration. Our country, he said, is following a policy of shipping products that used to be purchased or are purchased in capitalist countries to the socialist community where they can be acquired in magnificent quality under more advantageous conditions. [sentence as heard]

In order to increase imports from the socialist countries, Cuba has made an effort to increase its exports to these nations, the vice minister of foreign trade emphasized. Referring to our country's increased exports to the socialist community and certain capitalist nations, Vice Minister of Foreign Trade Manuel Estefania stressed citrus fruits as a developing export commodity. The favorable fulfillment of citrus production plans has helped to increase exports of this agricultural product 50 percent in the year just ended, in comparison to 1977, Estefania said. He added that citrus fruits will be one of our top export goods. He explained that this agricultural product has a big demand in the market of socialist countries which cannot produce it because of their weather conditions. He said work is being done to develop other products as export commodities, such as vegetables in agriculture; candies, preserves and juices in the food industry; and various products of the steel and light industries.

Vice Minister of Foreign Trade Manuel Estefania noted in the interview he granted to Radio Reloj Nacional some of the more important goods that Cuba imports from the socialist community. We get from these countries, he said, medicines; raw materials for medicines; foodstuff; fertilizers and other chemical products; fuels; rolled steel; pulp for paper and cartons; lumber; plastic raw materials; farm, construction and transportation equipment; and merchant ships.

Estefania said that television receivers, washing machines, radios, refrigerators and other home appliances traditionally are imported from the socialist countries, primarily from the Soviet Union, and that a great number of these products are expected this year. Other products, such as electric fans, have been added, he said, and the purchase of other goods is under study, including recorders, record players, accessories and spare parts adapted to our climatic conditions.

SANCTI SPIRITUS NEWSPAPER BEGINS CIRCULATING

FL050153Y Havana Domestic Television Service in Spanish 0100 GMT 5 Jan 79 FL

[Excerpts] Today in the eight Sancti Spiritus municipalities the newspaper ESCAMBRAY began circulating. The Escambra mountain range runs through a great part of Sancti Spiritus Province, in which glorious pages of our people's struggle have been written. Therefore the people of Sancti Spiritus have decided to name their paper ESCAMBRAY. The paper will basically disseminate information on the daily activities of the province in the economic, political and social areas and will have space for the most important foreign news.

The personnel working on the ESCAMBRAY paper have been trained in workshops and editorial rooms of various press organs in the nation, which have supported the appearance of the new paper. The editors of the ESCAMBRAY paper come, for the most part, from the volunteer correspondents movement and previously sent their reports to other written and radio press organs, mainly the paper VANGUARDIA of Villa Clara Province, which up to recently circulated in the three provinces of the central region. With the new political and administrative divisions, the provinces have the task of setting up their own press organs to disseminate local activities and national and foreign events.

URUGUAYAN COMMUNIST OFFICIAL OPENS ROUNDTABLE ON FASCISM

FL042143Y Havana Domestic Service in Spanish 2053 GMT 4 Jan 79 FL

[Text] Uruguayan Communist Party Secretary General Rodney Arismendi this morning opened a roundtable discussion at the headquarters of the Afro-Asian-Latin American Peoples Solidarity Organization (AALAPSO) in Vedado, [Havana]. The discussion concerns racist situations in the so-called southern cone of Latin America and is part of periodic discussions of critical problems of the labor and national liberation movement of the underdeveloped world organized by AALAPSO. This first roundtable discussion will be followed by others on apartheid and decolonization in southern Africa, Zionism and the Arab revolution. AALAPSO Assistant Secretary General (Hiradia Montalvo) made the introductory remarks at the discussion.

In his remarks at AALAPSO headquarters this morning, Rodney Arismendi made an in-depth analysis of the political situation in countries of the continent, including Brazil, Uruguay and Chile. He explained that fascism in Latin America is part of the strategy of imperialism's counteroffensive to try to stop revolutionary movements and crush the role of the working class. The Urugyan Communist leader and prominent Marxism-Leninism theoretician emphasized that fascism essentially has been contained in Latin America. He also emphasized that unity of all anti-imperialist forces is needed.

Paraguayan Communist Party Secretary General Antonio Maidana was among the participants.

FIDEL CASTRO RECEIVES SRV DELEGATION

OW041729Y Hanoi VNA in English 1659 GMT 4 Jan 79 OW

[Text] Hanoi, 4 January (VNA)--Fidel Castro Ruz, first secretary of the Central Committee of the Communist Party of Cuba and president of the Council of State and Council of Ministers of the Republic of Cuba, yesterday received the Vietnamese party, National Assembly and government delegation led by Do Muoi, alternate member of the Political Bureau of the Communist Party of Vietnam Central Committee and vice premier, which had arrived in Cuba for its 20th national day celebrations.

On behalf of the party, National Assembly and Government of Vietnam, Do Muoi conveyed best wishes to President Fidel Castro and other party and state leaders of Cuba, and to the fraternal Cuban people. He handed President Fidel Castro a copy to "Castro's Selected Speeches and Writings" published in Hanoi on the 20th national day of the Republic of Cuba as a gift from Le Duan, general secretary of the Communist Party of Vietnam Central Committee.

President Fidel Castro asked Do Muoi to convey his warm thanks to General Secretary Le Duan, and reiterated the militant solidarity and friendship of the party, government and people of Cuba with the Vietnamese people at the current stage of socialist construction and national defence.

The reception proceeded in an atmosphere of warm friendship and militant solidarity between the two nations.

CSSR, SOVIET OFFICIALS SEEN OFF BY RAUL CASTRO

FL041131Y Havana Domestic Service in Spanish 1100 GMT 4 Jan 79 FL

[Text] At the Jose Marti air terminal, army Gen Raul Castro, second secretary of the PCC Central Committee, has bid farewell to Lubomir Strougal, CSSR prime minister and KSC Central Committee Presidium member, and CPSU Politburo member Grigoriy Romanov. The two leaders departed yesterday bound for their respective countries after participating in the commemorative activities of the 20th anniversary of the Cuban Revolution's triumph. The Czechoslovak and Soviet delegations, headed by Strougal and Romanov, were also seen off by PCC Politburo member Juan Almeida Bosque and Central Committee members Joel Domenech and Zoilo Marinello.

SOVIET MILITARY DELEGATION VISITS FARM

FL031946Y Havana Domestic Service in Spanish 1902 GMT 3 Jan 79 FL

[Text] Soviet Marshal Sergey L. Sokolov, first deputy defense minister of the USSR and chief of the delegation accompanying him, has visited Valles de Picadura livestock-breeding farm located east of Havana. Ramon Castro Ruz, national work hero and director of the farm, welcomed the visitors and gave them a detailed briefing on the development achieved up to date at Valles de Picadura.

Following a tour of the installations of the breeding areas, Soviet Marshal Sergey Sokolov recognized and congratulated the transformations achieved there by the creative hands of the workers and peasants. The delegation was accompanied by Div Gen Francisco Cabrera, vice minister of the revolutionary Air Force and Antiaircraft Defense [DAAFAR] and alternate member of the PCC Central Committee; and by Col Demetrio Montseny Villa, chief of foreign relations at the Revolutionary Armed Forces Ministry.

DPRK VICE PREMIER VISITS CIENFUEGOS

FL041519Y Havana Domestic Service in Spanish 1503 GMT 4 Jan 79 FL

[Text] Kang Hui-won, member of the Korean Workers Party Central Committee and vice premier of that country's Administration Council, has made an extensive tour of the industrial zone in the city of Cienfuegos. The party leader heads the DPRK delegation invited to the activities for the 20th anniversary of the triumph of the revolution.

Alfredo Alfonso Sierra, second secretary of the party provincial committee in Cienfuegos, accompanied the distinguished visitor on his tour of the tricontinental bulk sugar terminal. They also visited the sprinkler irrigation equipment plant that is under construction in cooperation with the People's Republic of Bulgaria, where Kang Hui-won talked with advisers of this fraternal country and of the USSR who are working there.

FOREIGN DELEGATIONS TOUR ISLE OF YOUTH

FL040041Y Havana Domestic Service in Spanish 0000 GMT 4 Jan 79 FL

[Text] Foreign delegations invited to the events commemorating the 20th anniversary of the triumph of the revolution have arrived in the Isle of Youth special municipality where they will make various visits to areas of economic, urban and educational development. Delegations from Nigeria, Iraq, Ethiopia, Peru, Mexico and Guyana toured among other sites the installations of the Modelo Prison, where they saw the cell where Fidel and those who attacked the Moncada barracks were held. Also in the special municipality are the delegations from Bulgaria and Angola.

VISITING DELEGATIONS ARRIVE IN SANTIAGO DE CUBA

FL041136Y Havana Domestic Service in Spanish 1100 GMT 4 Jan 79 FL

[Text] The members of the delegations from Hungary, GDR, Romania, Yugoslavia, Panama and Laos yesterday arrived in Santiago de Cuba City. The visitors traveled accompanied by PCC Central Committee members Fernando Vecino Alegret, Secundino Guerra and Hector Rodriguez Llompart.

ETHIOPIAN DELEGATION ARRIVES IN SANTIAGO

FL042111Y Havana Domestic Service in Spanish 2040 GMT 4 Jan 79 FL

[Text] Capt Fikre-Selassie, secretary general of the Ethiopian Provisional Military Administrative Council (PMAC), arrived in Santiago de Cuba at the head of a delegation from his country invited to the festivities commemorating the 20th anniversary. The delegation includes Maj Wubeheset Desie, member of the PMAC standing committee, (David Wolde Giorgis), secretary of the Ethiopian Foreign Ministry; and Aemero Wondimgegnehu, Ethiopian ambassador to Cuba. Welcoming them at Antonio Maceo International Airport of Santiago de Cuba was Angel Albarellos, second secretary of the PCC in Santiago de Cuba Province. During their stay in the cradle of the revolution, the Ethiopian delegation will visit Maceos' house, the Siboney farm and the 26 July Museum, the former Moncada barracks.

BRIEFS

CUBA-IRELAND ASSOCIATION--Dublin--A Cuban-Irish friendship association has been set up in the capital of the Republic of Ireland, which proposes to strengthen and develop friendship between that country and our country. [Text] [Havana Domestic Service in Spanish 1337 GMT 19 Dec 78 FL]

FOREIGN MINISTER COMMENTS ON NICARAGUAN MEDIATION

PA050017Y San Jose Radio Reloj in Spanish 2200 GMT 4 Jan 79 PA

[Text] Santo Domingo--Dominican Foreign Minister Ramon Emilio Jimenez said this afternoon that the proposal made by the OAS mediation commission concerning the Nicaraguan crisis is invariable and the only alternative offering a solution to the conflict. Jimenez made this statement while announcing that there will be a meeting in Santo Domingo tomorrow of U.S. Ambassador William Bowdler, the Guatemalan ambassador and himself to complete the drafting of the final report which will be presented to the OAS on the Nicaraguan situation and the commission's mediating efforts and which will also be in reply to the counterproposal made by the governing Liberal Party to our original proposal.

Jimenez said that the commission's reply [as heard] is firm because we believe that it is the most feasible manner to reach a peaceful and lasting solution to the Nicaraguan crisis. The Dominican foreign minister remarked that he would not say that the negotiations between the OAS commission, the opposition, the Somoza regime and the governing Liberal Party have stagnated since the commission is drafting the reply to the counterproposal made by the governing Liberal Party to the original proposal. We are negotiating; there is no stagnation.

He said that the proposed plebiscite is the ideal solution and the only peaceful way out of the Nicaraguan crisis. He asserted that the Liberal Party's counterproposal demanded that the government's organizations or officials and not the OAS organize the voting process in the plebiscite. The OAS would only supervise the voting. It would not be in charge of organizing and controlling the voting. We proposed that the OAS, as an international authority, should organize, supervise and be in charge of the plebiscite, but in its counterproposal the Liberal Party calls for the creation of an electoral organization which would only be supervised by the international organization and that the electoral body should be made up of Nicaraguan officials, the Dominican foreign minister added.

He said that in the OAS proposal we also asked that there be no registration for the voting. We simply asked that whoever should come to the polls be allowed to vote. There is no personal identification system in Nicaragua, and it would be difficult to issue identification cards within a short time. Also, voters might feel inhibited, as has been expressed by many persons with whom we spoke there. These persons feel coerced and would not feel totally free to vote if there was a registration.

Another essential aspect we included in our proposal was the transfer of local administrators who have functions similar to the rural community mayors in Santo Domingo. However, local officials in Nicaragua have much more power. Peasants in Nicaragua would vote in fear, and the outcome of the elections could be affected. We feel that the Nicaraguan peasant would vote more freely without the presence of these officials in the regions. This is why we asked that these local administrators be transferred to Managua during the voting.

Jimenez said that the Liberal Party counterproposal asks that these local officials remain in their communities during the voting. He added that this is a problem, since they could affect the outcome of the voting because of the fear they instill among the peasants.

PRESS, OPPOSITION CRITICIZE VENEZUELA OVER LOAN DISPUTE

PA041641Y Madrid EFE in Spanish 1001 GMT 4 Jan 79 PA

[By Rosendo Sepulveda]

[Text] Santo Domingo, 4 Jan (EFE)--President Carlos Andres Perez' clarification in Venezuela that he did not approve a condonation [condonacion] of a debt in the Dominican Republic has caused a negative reaction in the press, which believes that the Dominican Government has lost face.

The afternoon newspaper EL NACIONAL said in an editorial entitled "A Delicate Situation" that President Perez' statement on the $3.9 million debt of the National Price Stabilization Institute has not clarified the situation at all, but rather has complicated it. The newspaper said that in fact the document signed by Presidents Perez and Antonio Guzman, which was released to the press at the Americas International Airport upon President Perez' departure, clearly contains the world "condonation." The newspaper suggested that the Dominican Government publish the lengthy document to resolve the irritating incident and dispel doubts both here and in Venezuela which "have left us in a very bad position."

The morning newspaper EL CARIBE in an editorial entitled "The Poor Press" said that Perez has once more tried to evade the issue by blaming his own errors on the communications media. It published Paragraph 6 of the statement signed in Santo Domingo in which the word "condonation" appears. EL CARIBE questioned how newsmen could know that the word "condonation" did not mean what it normally does, but rather something else. It complained bitterly that the press is once again being used as a scapegoat.

The technical minister of the presidency, Leopoldo Espaillat Nanita, said that there has been an error in the interpretation of the terms of the agreement and supported President Perez by indicating that his clarification sought to warn that the balance of a products exchange operation was pardoned, but not the financial debt of a loan. He added that the problem arose because of confusion over terms which led to the Venezuelan chief executive's clarification.

On the other hand, opposition Senator Victor Gomez Berges announced that he will ask the Senate, where the opposition has the majority, to demand that the Dominican president send a note of "vigorous protest" to President Perez for his statements. According to Gomez Berges, "His (Perez') is an unheard of attitude because of his action, which involves not fulfilling the international commitments he made."

OPPOSITION SENATOR GOMEZ BERGES CRITICIZES PEREZ VISIT

PA292323Y Caracas Radio Continente Network in Spanish 2050 GMT 29 Dec 78 PA

[Text] Senator Victor Gomez Berges, an opposition spokesman in the [Dominican Republic] Senate, has harshly criticized Venezuelan President Carlos Andres Perez' visit to the Dominican Republic. Gomez Berges said that President Perez has let himself be used for a very dangerous game by intensifying what he described as a division between the government of President Antonio Guzman and the Dominican Revolution Party [PRD]. The senator of former President Joaquin Balaguer's Reformist Party said that President Perez visited Santo Domingo at the invitation of the PRD and not of President Guzman. Because of this, Senator Gomez Berges opposed President Perez' public recognition of the Dominican Senate. Gomez Berges accused PRD Secretary General Jose Pena Gomez of seeking international support for his leadership aspirations in the Socialist International with his invitation to President Perez.

GUADELOUPE

REPORT ON WESTERN SUMMIT CONFERENCE

PA050423Y Madrid EFE in Spanish 2341 GMT 4 Jan 79 PA

[By Juan Roldan, of EFE]

[Text] Pointe-a-Pitre, Guadeloupe, 4 Jan (EFE)--The meeting between Presidents Carter and Giscard, Chancellor Schmidt and Prime Minister Callaghan, from the United States, France, West Germany and Great Britain, respectively, began tonight with recognition being given to the cooperation which exists among the four countries. The Guadeloupe summit does not have a formal agenda, but the four leaders will, during the next 48 hours, discuss subjects of interest to Western peace and security, according to U.S. sources.

On his trip from Washington, President Carter said that the importance of the meeting is that none of the four nations now has problems which affect their relations, and that the cooperation among them has never been as good as in the last 10 years.

Contrary to the freezing temperatures in their respective countries, Carter, Giscard, Callaghan and Schmidt will have a summer climate in Guadeloupe, with temperatures of 29-30 degrees centigrade on paradisiacal beaches.

"There are grave problems in the world," Carter said, who immediately added, as if trying to diminish their importance: When have we not had any?

The crisis in Iran and the future situation in the Persian Gulf, principally in relation to the oil supplies which are so vital to the West, will be the priority subject on the informal Guadeloupe agenda.

British Prime Minister Callaghan only said upon his arrival that much work lies ahead. French President Valery Giscard sent a greeting to the 330,000 inhabitants of this French overseas department of 1.8 [as received] square km. The island was named Our Lady of Guadeloupe by Christopher Columbus, who discovered it in November 1493.

U.S sources gave a long list of international subjects which will be discussed at the summit, including the Middle East, southern Africa, the normalization of relations between the United States and China and the Soviet-U.S. SALT II talks. The Americans are convinced that the conference will be positive and productive, although there is not as much optimism in French, German and British circles. The direct participation of the four leaders in the foreign policies of their countries, which form part of the Atlantic alliance, makes this meeting a starting point for the decisions which will be made in Washington, Bonn, Paris and London throughout 1979.

Only one foreign policy or security adviser is accompanying each head of state or government at the summit. President Carter is accompanied by Zbigniew Brzezinski, President Giscard by Jacques Whal, Schmidt by Otto von der Gablentz and Callaghan by Sir John Hunt, in addition to their respective wives.

The problem in the next few hours for the several hundred journalists who are covering the conference will be the absence of important information. Only one news conference per day by the French spokesman is planned, and perhaps there will be a brief joint declaration on Saturday.

JAMAICA

WORLD COUNCIL OF CHURCHES LEADER SEES EXPLOITATION

FL041625Y Kingston DAILY GLEANER in English 2 Jan 79 p 1 FL

[Excerpt] World Council of Churches General Secretary Dr. Philip Potter has described Jamaica as a poor country "caught in the coils of economic exploitation by forces outside and within the country".

In his report to the 11-day conference of the Central Committee of the WCC which began yesterday at the University of the West Indies, Mona, Dr. Potter said: "Here is being played out the clash of different ideological options about the direction in which the society ought to be ordered".

He said that "here is a society which is in the grip of fear and violence, because the poor and marginalized are in a mood of awakened revolt. Here is the meeting of cultures, races and histories where the search for identity is keen.

"Here are churches of the main Christian traditions and also conservative evangelical groups as well as indigenous expressions of religious allegiance, all seeking to minister to the people with all the marks of divided and competing communities, while the Jamaica Council of Churches attempts to promote Christian unity among some of these churches."

The Dominican-born general secretary said that the conference was the first major meeting of the WCC in this part of the world. He said that Jamaica had been the cradle of the ecumenical movement in the Caribbean. It was there that the YMCA, YWCA and the Student Christian Movement were first established. The Jamaica Christian Council was the first of its kind in the Caribbean.

He told the conference that Jamaica was also representative of the situation of most countries of the Third World. "Here is a poor country caught in the coils of economic exploitation by forces outside and within the country," he said.

PUERTO RICO

PUERTO RICO MIGHT NOT HOST PAN-AMERICAN GAMES

FL041229Y Havana Domestic Service in Spanish 1100 GMT 4 Jan 79 FL

[Text] Puerto Rico could be replaced as host nation of the pan-American games if Governor Carlos Romero Barcelo continues to insist on having the U.S. national anthem played together with that of Puerto Rico during the games' opening and closing ceremonies. The news of the suspension and change of host nation was reported to PRENSA LATINA by Pan-American Sports Organization [ODEPA] President Mario Vazquez Rana at the conclusion of a meeting in Mexico City with German (Reguehof), head of the Puerto Rican sports committee. Vazquez Rana stated that if Governor Romero's decision is an official resolution, ODEPA will hold an emergency meeting this month in San Juan to adopt a final position.